



## Department of Energy

Washington, DC 20585

DATE: March 23, 2007

SUBJECT: PROCEDURES FOR OBTAINING INFORMATION FROM THE  
OFFICE OF THE U.S. TRADE REPRESENTATIVE

This document sets forth guidance for field patent counsel with respect to obtaining information from the Office of the U.S. Trade Representative (USTR) to assist DOE laboratories in determining whether to enter into Cooperative Research and Development Agreements (CRADAs) and licensing agreements with entities controlled by foreign companies or governments. Questions regarding the process and requirements set forth in this guidance should be directed to Michael Hoffman of GC-62 at (202) 586-3441.

Section 4(a) of Executive Order 12591 requires that the head of each executive department and agency (and each laboratory Director) obtain information from the USTR when negotiating or entering into CRADAs and licensing agreements with foreign persons or industrial organizations, where such entities are directly or indirectly controlled by a foreign company or government. The information gathering from the USTR is necessary so that the laboratory Director will be able to consider the following: 1) reciprocity to U.S. entities by such foreign company or government in entering into CRADAs or licenses, and, 2) whether the foreign government has policies in place to protect U.S. intellectual property rights.

The Executive Order also requires that a third type of information be secured from the USTR: whether the relevant foreign country has adopted adequate measures to prevent the transfer of strategic technology to prohibited destinations. However, the USTR does not have the capability to gather this information, so this information will have to be secured elsewhere. To satisfy this third consideration it must be shown that the foreign government has adopted adequate measures, either through participation in the Coordination Committee for Multilateral Export Controls [COCOM], or through other international agreements to which the U.S. is a member.

In addition to the provisions of the Executive Order, the provisions of 15 U.S.C. 3710a(c)(4) provide that, when deciding whether to enter into a CRADA with any entity subject to the control of a foreign company or government, a laboratory Director is required to take into consideration whether or not such foreign government offers reciprocity by permitting U.S. agencies, organizations, or other persons to enter into CRADAs and licensing agreements

Additionally, the Rights in Data – Technology Transfer Mission clause [970.5227-3 (Class Deviation of July 2006)] requires M&O contractor laboratory Directors to take into account the first and second considerations of the Executive Order for CRADAs and licenses to entities subject to the control of a foreign company or government.



The laboratories should be able to determine the status of, and applicability of the above requirements to, a potential partner/licensee as part of an initial determination that is made in formulating the Joint Work Statement (JWS) submittal or early in license negotiations, as appropriate.

In determining whether a potential partner/licensee is subject to the control of a foreign government or company, the laboratory might perform a Dun & Bradstreet or other electronic search. No attempt to secure information from the USTR is necessary where the laboratory has made the determination that there is no foreign involvement, including direct or indirect control by a foreign interest.

The Executive Order and the M&O contract requirements should also be reconsidered upon a change of a CRADA participant to, or an acquisition of a CRADA participant by, a foreign entity or an entity that is subject to the control of a foreign interest.

Information from the USTR may be secured by referring to the U.S. Trade Representative's Inventory of Foreign Trade Barriers, the U.S. Trade Representative's Special 301 Reports, the U.S. Trade Representative website, and any other available, relevant information.


However, if the laboratory nevertheless decides to secure a formal written opinion from the USTR, then the information should be submitted to Michael Hoffman of GC-62. He has been designated as the DOE point of contact for USTR matters. Laboratories should submit requests for formal written opinions either through local field patent counsel or with a copy to local field patent counsel, at local field patent counsel discretion. If submitted through local field patent counsel, local counsel will promptly submit the request to GC-62 for prompt transmittal to the USTR.

Requests for a written USTR opinion should contain the following information:

- A) Identification of the proposed CRADA participant or proposed licensee;
- B) Explanation of the foreign interest relationship to the proposed CRADA participant or proposed licensee, and
- C) A brief abstract-like description of the related area of technology, including a brief summary of the scope of any collaboration or license, and estimated funding for a CRADA project (total funding only – no breakdown).

Depending on how the request is submitted, responses from the USTR to GC-62 will be promptly transmitted either to field patent counsel for communication to the requesting laboratory, or directly to the laboratory, with a copy to local field patent counsel. The laboratory Director can make a final decision about entering into the CRADA/license after considering the input obtained from the USTR. The appropriate Operations Office needs to be informed of the decision made by the laboratory Director, including the

rationale of the decision. For CRADAs this can be included in the JWS at the time of original JWS submission, or through a later supplementation if the decision has not been made at the time of the original submittal.

A handwritten signature in black ink, appearing to read 'Paul A. Gottlieb', is positioned above the printed name.

Paul A. Gottlieb  
Assistant General Counsel  
for Technology Transfer  
and Intellectual Property